

NAVAL SEA SYSTEMS COMMAND

***Outfitting and Material
Support Division
SEA 04L4 OPN Outfitting
Overview
for
FLSIC
13-14 Mar 2002***

**Audrey Woodward & Tim
Dutcher**

SEA 04L4B

SEA 04L413

SEA 04L4 Mission

❖ *Navy's Non-Aviation Initial Outfitting Agent*

✓ Manage the Accounts of SCN & OPN Outfitting, and OPN & WPN Initial/Vendor Direct Spares

✓ Provide Direct Fleet Support for Outfitting & Material Support Policies and Procedures

✓ Responsible for Provisioning, Allowances, and Outfitting Related Logistics IT Systems

❖ ✓ Responsible for Major End Item Fleet Readiness
✓ Total Asset Visibility
✓ Transportation Policy & Procedures

Material Management (SEA 04L4)
✓ Material Redistribution (Residual)
✓ Government & Industry Data Exchange Program (GIDEP);

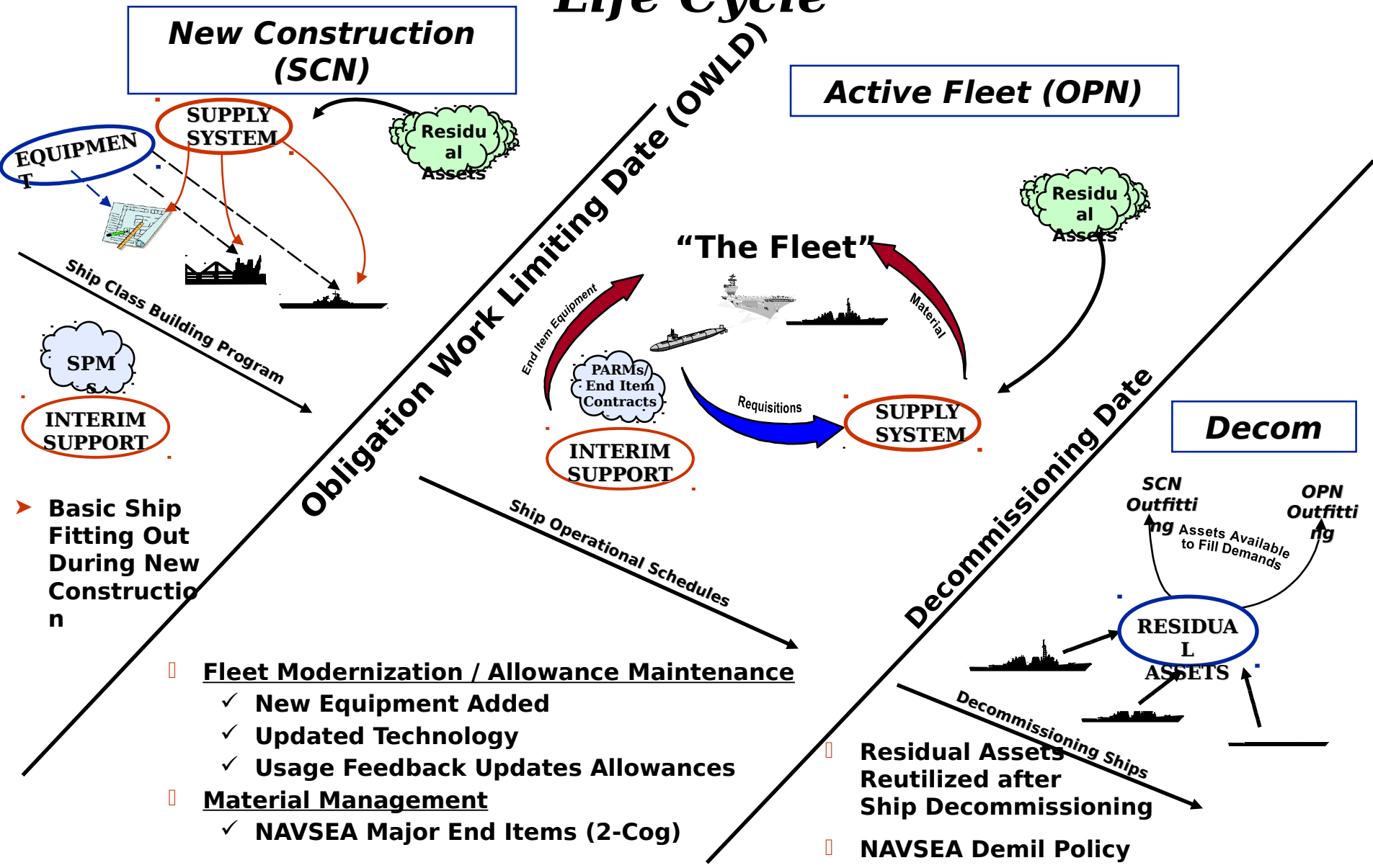
✓ Product Data Reporting & Evaluating Program
✓ Material Management Policy (Supply Support)
✓ Level One/Subsafe (SS)

❖ ✓ Ensure All the Right Material Is Available at the Right Time & Place Consistent with NAVSEA's Quality Goals, Schedule & Cost (Value)

✓ Responsible for Development and Implementation of NSY National Material Strategy (NMS)

SEA 04L44)

Outfitting and Material Support Life Cycle





Active Fleet: OPN Outfitting Account

❖ *OPN Outfitting Funds Pay for:*

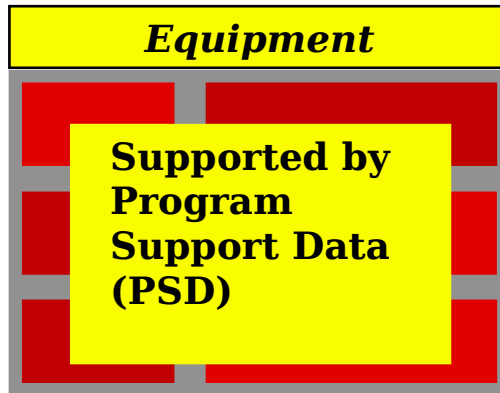
- ✓ **All Changes to “Baseline” Allowance List**
 - » **From Obligation Work Limiting Date (OWLD) - End of New Construction Funding**
 - » **Through Life of Ship - Decommissioning**
- ✓ **Spares & Repair Parts Support for Equipment that has Reached MSD and is Fully Supported by the Navy Supply System**
 - » **Modernization**
 - **New Equipment/Weapons System Installations**
 - » **Maintenance**
 - **Alteration of Previously Installed Equipment (Reprovisioning, BRF Change, .5 FLSIP, etc.)**
 - » **Special / Unique Allowance Changes or Equipage Items**

❖ *OPN Outfitting Represents:*

- ✓ **“Buy-Out” of a Lead Time Earlier NAVICP-M “Buy-In”**
- ✓ **“Buy-Out” of DLA and Other ICPs**

OPN Outfitting Budget Development

The Building Blocks...



- **Buy-out of NWCF Buy-In**
- **Navy and DLA Costs**

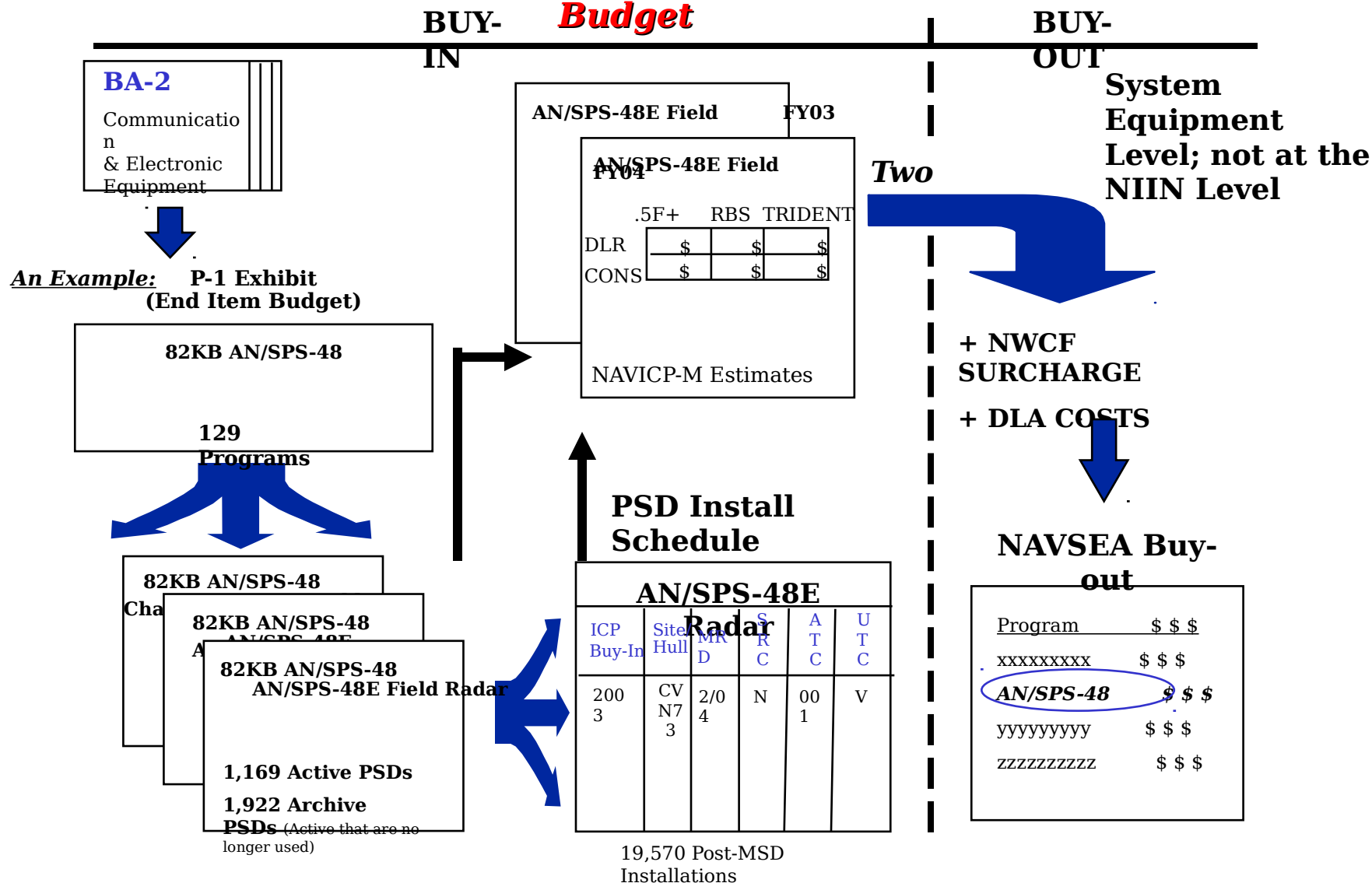


Examples:

- 1) Q COSAL**
- 2) Damage Control**
- 3) Carrier Planned Equipment Replacement (CARPER)**
- 4) Medical/Dental Material**

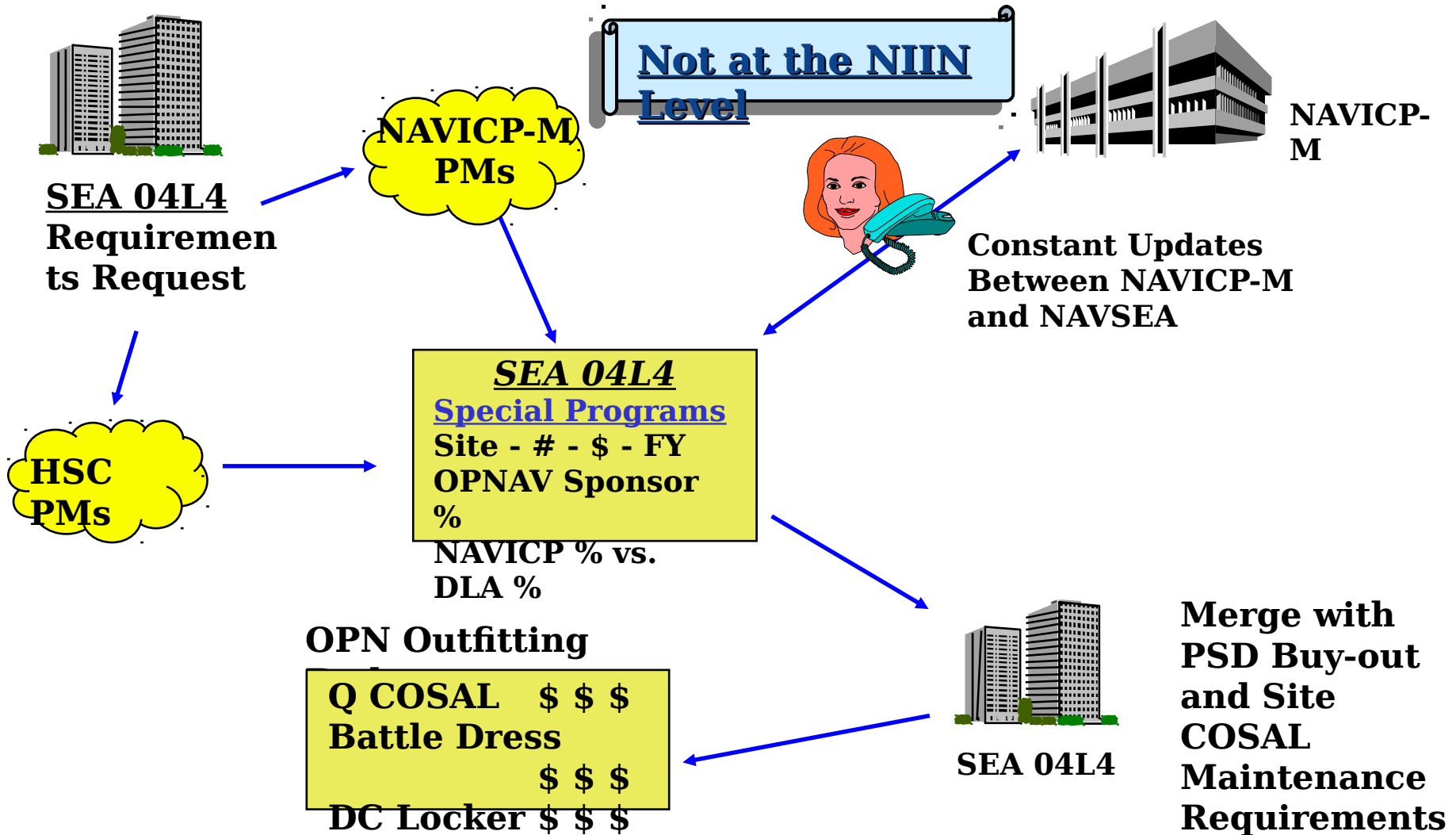
OPN Outfitting PSD Budget Development

Modernization: PSD Data Flow... to OPN Buy-out
Budget



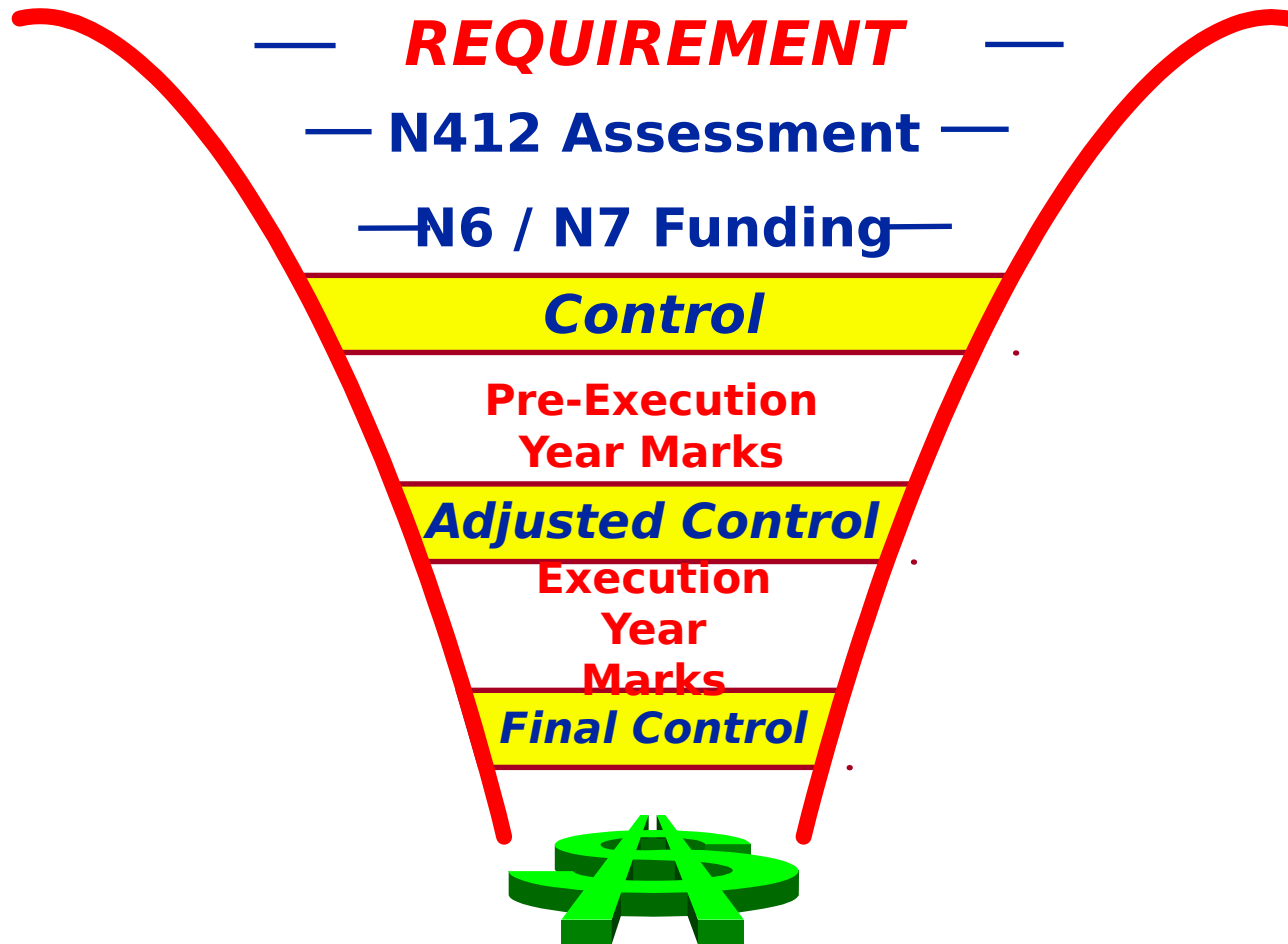
OPN Outfitting

Special Programs Budget Development



OPN Outfitting

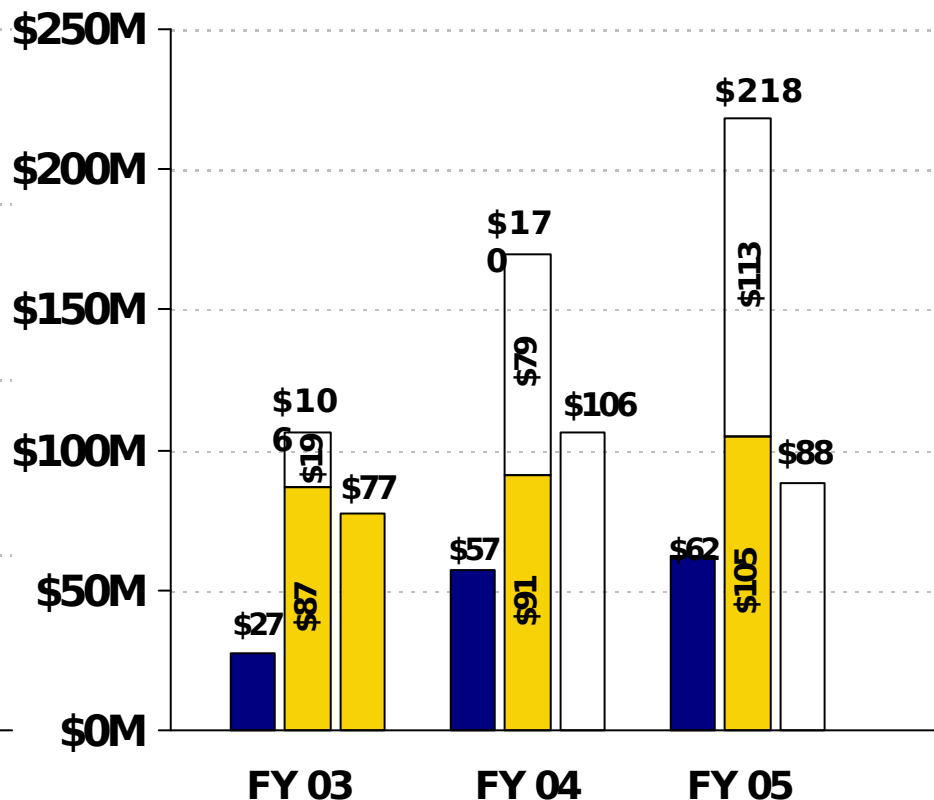
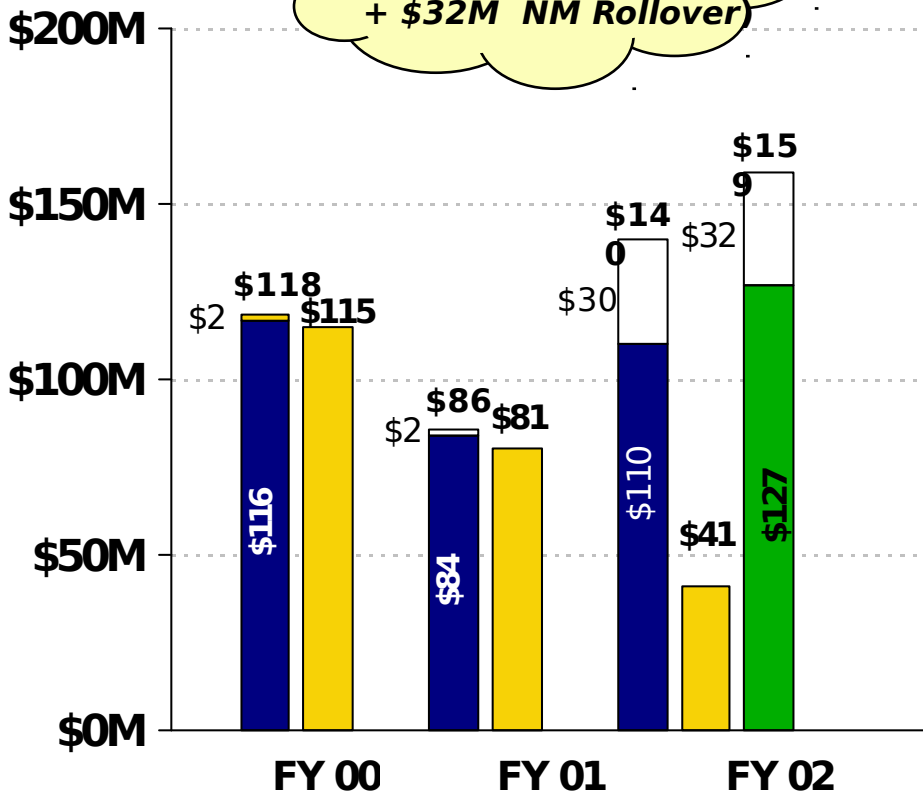
Obtaining Funding Control Typical Reductions



Execution Year Control Has Recently Fallen Far Short of Requirement

OPN Outfitting Spares Funding Status

**Total FY 02
Requirement \$159M
(\$127M Current Year
+ \$32M NM Rollover)**



■ RQMTS ■ Budget Control ■ Obligations ■ NM File ■ DERF

□ Estimated NM File Carryover
□ OPNAV BAM Assessment (As of Mar 02)
■ Unconstrained Requirements
■ Budget Control (Jan 02)



OPN Outfitting FY 02/03 Summary

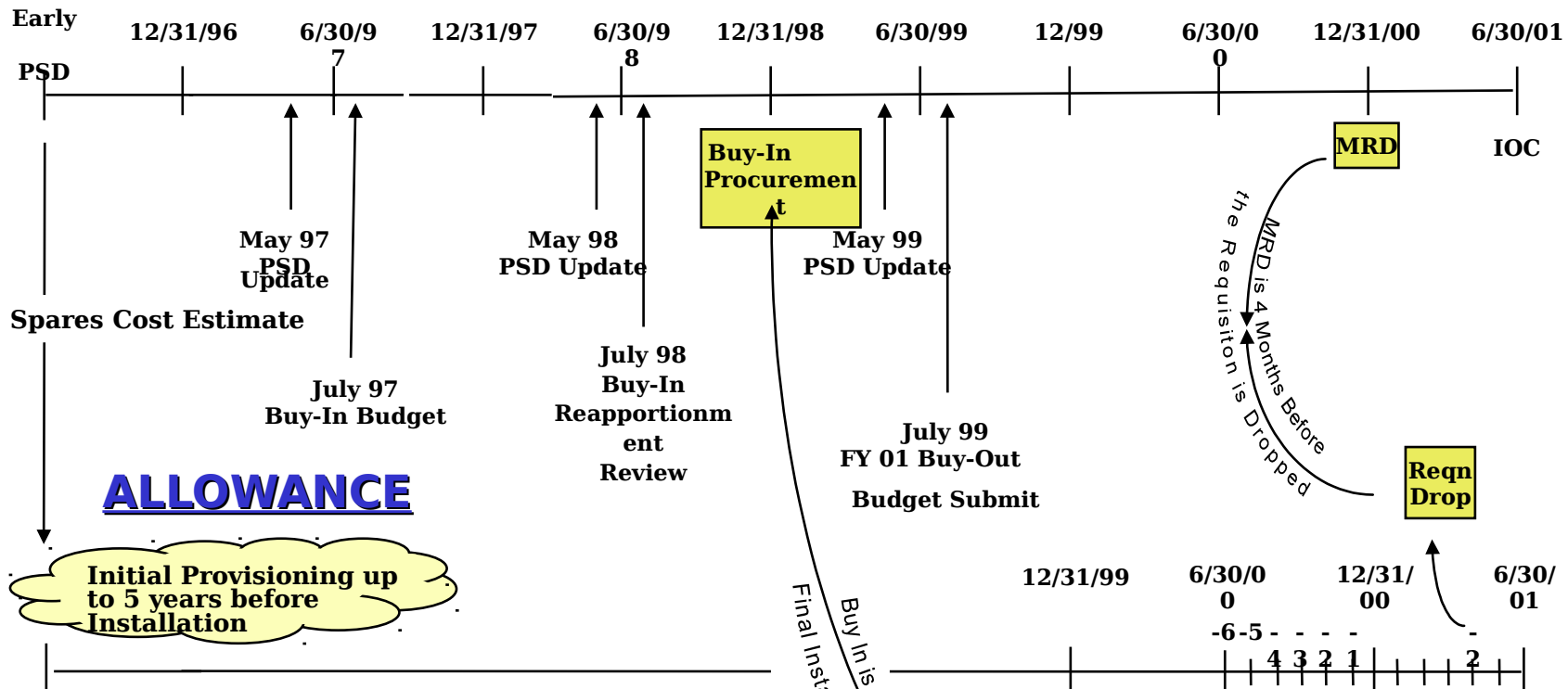
Shortfall Carry-forward 30 Sep 01	\$32	
FY 02 Emergency Response Funds (ERF) Supplemental	\$30	
Remaining Carry-forward Nov 01	\$2	(Note: Buydown of Shortfall)
FY 02 Requirements	\$127	
Total Requirements	\$129	*
FY 02 Budget Control	\$110	
Potential NM File End of FY 02	\$19	*
<u>FY 03</u>		
NM File Carry-forward from FY 02	\$19	
FY 03 Requirements	\$87	
Total Requirements	\$106	
FY 03 Budget Control	\$27	
(Includes \$30M FMB Mark vs. ERF Supplemental)		
Potential Shortfall Carry-forward End of FY 03	\$79	

*** NOTE: FY 02 Requirements and Control Includes AT/FP.
FMB Letter signed out Feb 8, 2002**



OPN Outfitting Budget vs. Allowance Timelines

BUDGET



- Allowance Process Driven by Execution Year Realities

- Allowances Include Large Proportion of Unplanned Spares

- Maintenance Budgeted as Macro Level \$ Estimate Rather Than

Discrete System/NIIN Level Data

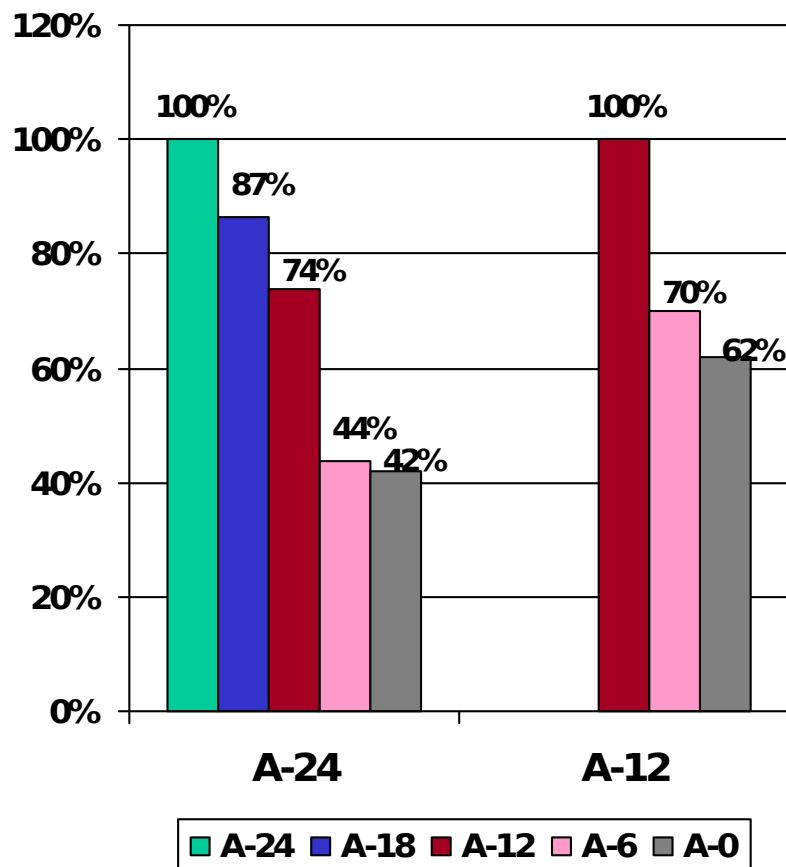
OPN Outfitting Modernization Churn

"Typical Example"

FMP 'Churn' - PMS 335 Ships (Now PEO-TSC Ships)

❖ Title K Alterations

- ✓ Of Planned Work at A-24 Months...
...only 42% Accomplished
- ✓ Of Work Added at A-12 Months...
...only 62% Accomplished

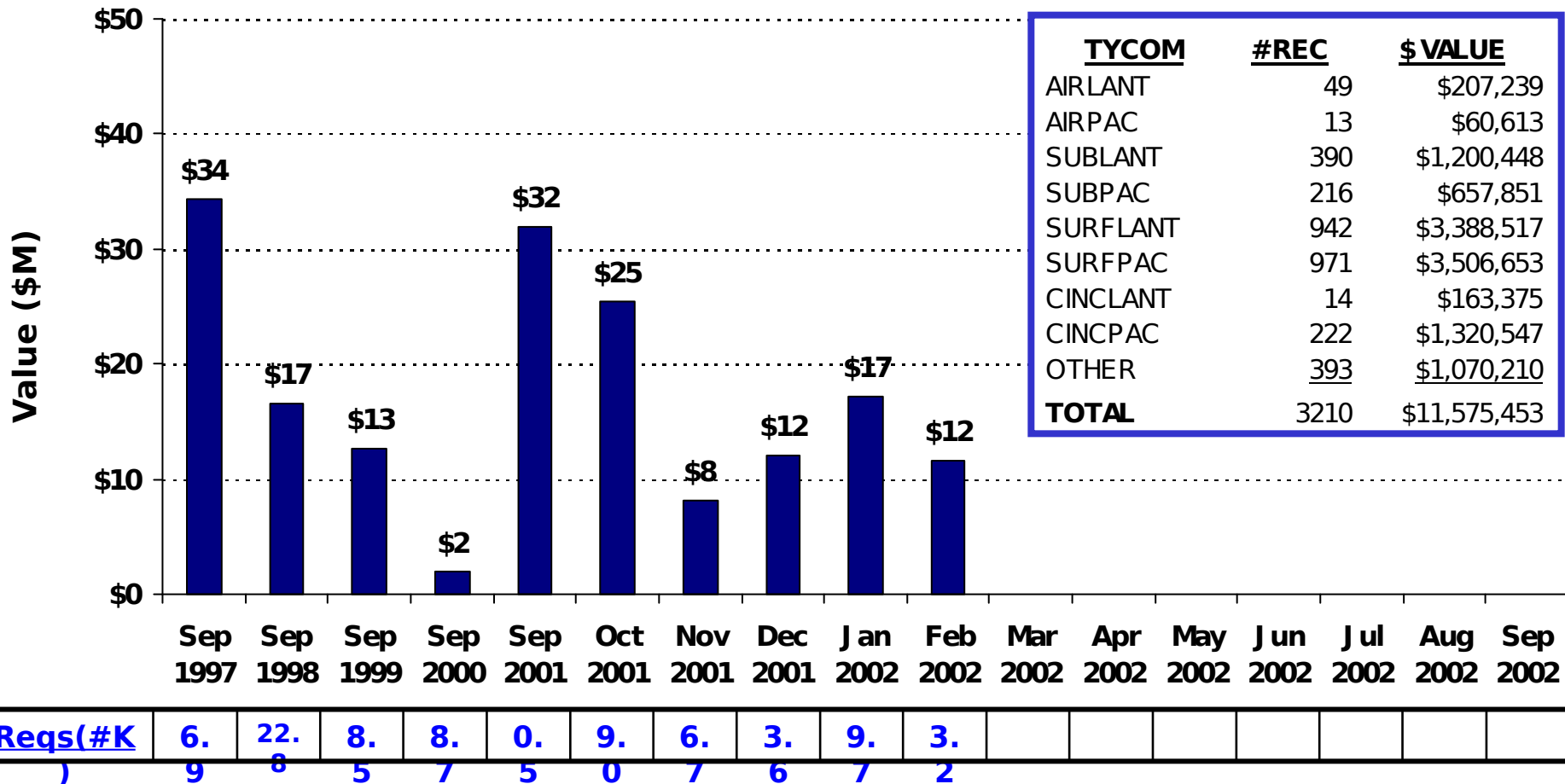


☑ Buy-in/Buy-out Execution Disconnects Follow Modernization Process Churn



OPN Outfitting Shortfall

"No Money" Backlog

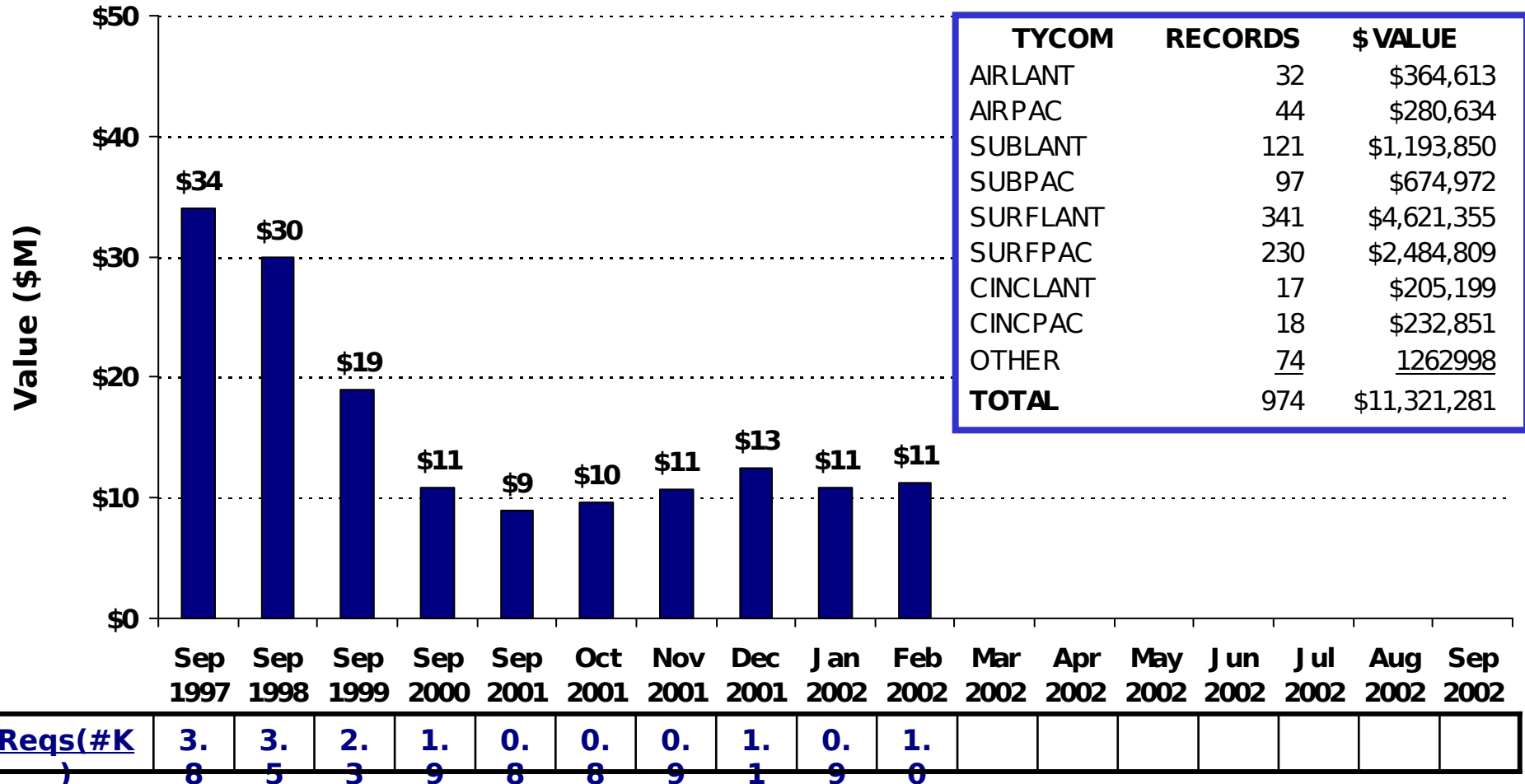


- No Money file is formed by COSAL Initial Outfitting requisitions that are placed on hold due to insufficient funding. These requisitions are for lower priority ship and weapon systems and not a range add.



OPN Outfitting Shortfall

"No Asset" Backlog



- To optimize funds, we screen valid High Value requisitions for NAVICP-Mechanicsburg material against available assets.
- To verify if an asset has become available, the No Asset file is screened weekly.

Updated Monthly: 28 Feb 02



OPN Outfitting Execution Initiatives

❖ Use Limited Funds Cost Effectively and Efficiently:

- ✓ **Validate All Requisitions > \$300**
 - » Invalid/Not Allowed Requisitions Cancelled
- ✓ **Screen Residual Asset Databases for Potential “Free Issue”**
 - » Offset in Budget
- ✓ **Screen Availability of NAVICP-M Material So That Funds Are Not Obligated to Fill Requisitions Until the Material Is Ready for Issue**
 - » If Material Is Unavailable, Requisition Retained in the No Asset (NA) File
 - » Weekly Screening of NAVICP Master Data File (MDF)
- ✓ **Recoupment and Reuse of Funds From Cancellations, or Deobligations Are Applied to Shortfalls**

❖ Continuous Review of Available Funds & No Money (NM) File Requisitions

- ✓ **NM File Revalidation Twice Per Year; No Requisitions in NM Over One Year... either Fund or Cancel (If No Longer Authorized After Revalidation Effort)**



OPN Outfitting Fleet Prioritization Process

❖ June 95 - Initiated Fleet/NAVSEA Prioritization Process; Fund Only:

- » (1) Nuclear (Q-COSAL); (2) Strategic Weapon Systems; (3) Safety and Survivability Items; and (4) Range-adds Only for CINC/TYCOM-Identified Critical Equipment/Systems
- ✓ **Otherwise:**
 - » Requirement Still Registered at NAVICP-M
 - » Requisition Held in ACTS With No Money (NM) Status
- ✓ **Continuous Review of Available Funds and No Money (NM) File Requisitions**
 - » NM File Revalidation Twice Per Year
 - » No Requisitions in NM Over One Year ... either Fund or Cancel
(If No Longer Authorized After Revalidation Effort)



OPN Outfitting Prioritization Process

❖ *NAVSEA Prioritization Process:*

- ✓ **Fleet/TYCOMs Decide on Priority Unit Identification Codes (UICs)**
- ✓ **List Submitted to SEA 04/SEALOG/ FISC PS for Processing/Screening**
- ✓ **Continued Screening**
 - » **HiValue - for Validity**
 - » **RRAM - For Residual Assets**
- ✓ **Request Fleet Feedback on any other Priority Criteria (AT/FP, Deployment Changes)**

❖ *Current Fleet Prioritization Message*

- ✓ **- R070450Z MAR 02 - Fleet CINCs Response due 5 Apr 02**



SEA 04L4 Customer Communications

❖ *Continued Fleet Partnership via:*

- ✓ **On-site Visits w/ Fleet CINCs and TYCOMs & Individual Ships**
- ✓ **Annual Fleet Logistics Support Improvement Conference (FLSIC) with Fleet and Major Customers in Attendance**
 - » **Ongoing Working Group Meetings**
 - » **Interim FLSIC Meetings Oct/Nov of Each Year**
 - » **Full FLSIC Normally Mar of Each Year**
- ✓ **Daily Emails/Phone Calls**
- ✓ **Respond to Naval Messages as Necessary**

Summary



- ❖ ***Current Budget Shows Constrained Funding in the Outyears:***
 - ✓ Execution Initiatives Ensure Maximum Use of Funding
- ❖ ***Outfitting Team will Continue our Close Working Relationship with CINC's/TYCOMs - the Customer***
- ❖ ***We Will Utilize Existing/Proven Outfitting Team Infrastructure***
 - ✓ Facilitates Prioritization Implementation
 - ✓ Allows for Quick Response in Funding Urgent Requirements



OPN Outfitting

“Team Outfitting” POCs

⇒ **NAVSEA 04L4 - Outfitting and Material Support Division**

- ✓ Dave Poppert - Division Director (SEA-04L4)
202-781-1791 DSN: 326-1791; email: POPPERTDJ@NAVSEA.NAVY.MIL
- ✓ Audrey Woodward - Deputy Director (SEA-04L4B)
202-781-1854 DSN: 326-1854; email: WOODWARDAE@NAVSEA.NAVY.MIL
- ✓ Tim Dutcher - OPN Financial (SEA-04L413)
202-781-3315 DSN: 326-3315; email: DUTCHERTP@NAVSEA.NAVY.MIL

⇒ **NAVSEALOGCEN - Logistics Readiness Group**

- ✓ John Goodhart - Site Technical Director (NX0B)
717-605-1459; DSN: 430-1459; email: GOODHARTJC@NAVSEA.NAVY.MIL
- ✓ Steve Case - Logistics Policy & Procedures Division Deputy (N50)
717-605-2597; DSN: 430-2597; email: CASESG@NAVSEA.NAVY.MIL
- ✓ Larry Peck - Outfitting Division Director (N52)
717-605-7099; DSN: 430-7099; email: PECKLR@NAVSEA.NAVY.MIL

▮ **FISC Puget Sound - Industrial Support Center (Code 00A)**

- ✓ Bryan Mueller / Charlene Cates - Outfitting Logistics Support Manager (Code 00A)
360-476-7510; DSN: 439-7510; email: CHARLENE_A_CATES@PUGET.FISC.NAVY.MIL
- ✓ Steve Ventura - Outfitting Support Branch (Code 114)
360-476-7514; DSN: 439-7514; email: STEVEN_A_VENTURA@PUGET.FISC.NAVY.MIL
- ✓ Nemy Cerdenola, - OPN Financial Branch (Code 53)
360-476-8966; DSN: 439-8966; email: NEMUEL_C_CERDENOLA@ PUGET.FISC.NAVY.MIL
- ✓ Chris Wade - Fleet & Industrial Supply Center Puget Sound
360-476-9742; DSN: 439-9742; email: CHRIS_A_WADE@PUGET.FISC.NAVY.MIL

▮ **NAVSUP / NAVICP - Logistics Group**

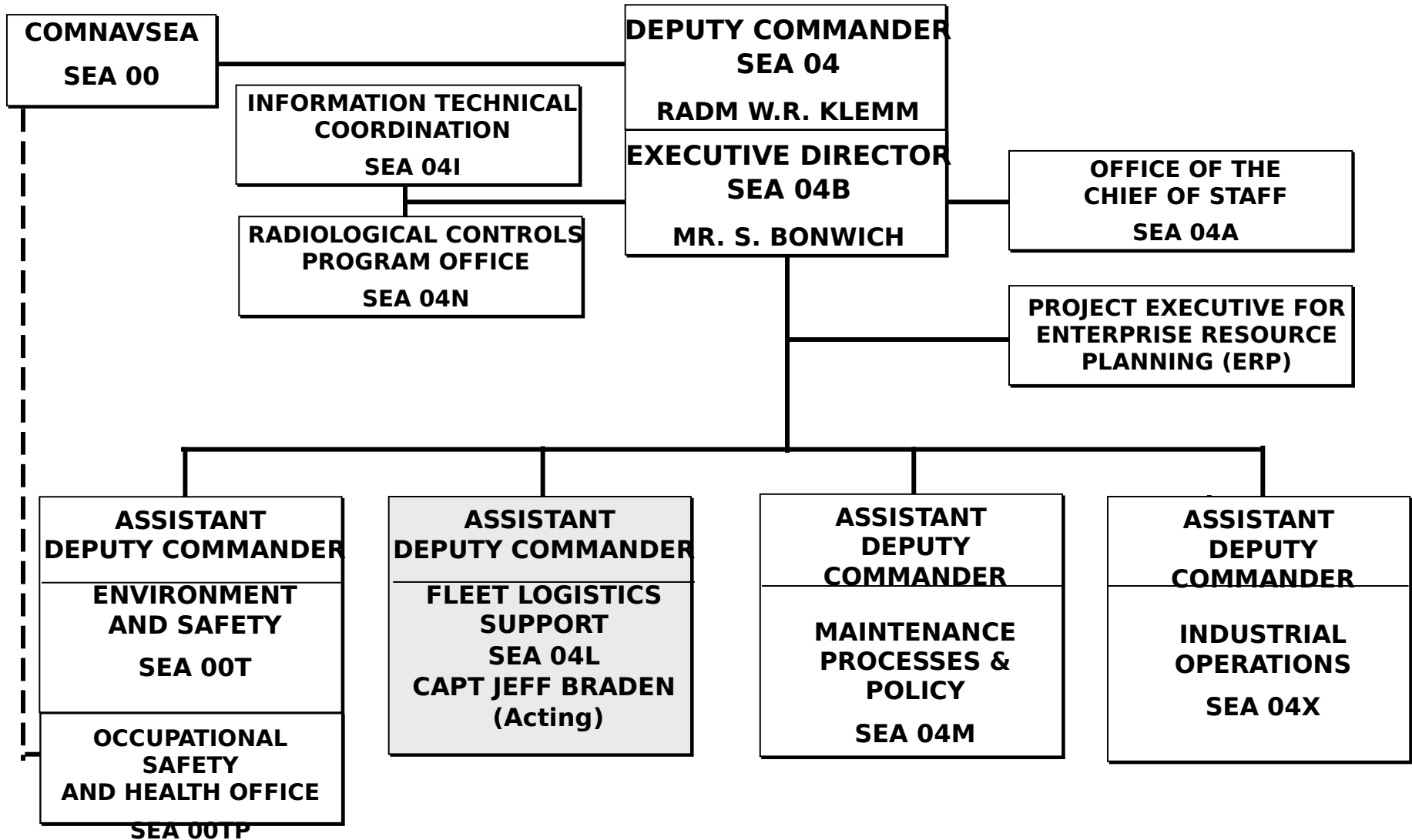
- ✓ Mike Hogan, - Program Manager for Acquisition and ILS Support (Code 4B2D)
717- 605-1503; DSN: 430-1503 email: MICHAEL_HOGAN@NAVSUP.NAVY.MIL
- ✓ Joe Bruno, Director, Configuration Allowance Division - Code 0563
717-605-5150; DSN: 430-5150; email: JOSEPH_B_BRUNO@NAVSUP.NAVY.MIL
- ✓ Carol Weigle, Supply Systems Analyst, Project Support Branch, Code 05632
717-605-6842; DSN: 430-6842; email: CAROL_E_WEIGLE@NAVSUP.NAVY.MIL
- ✓ Rusti Mitten-Rynard, NAVICP-M (Code 05632)
717-605-3298 X350 DSN: 430-6842; email: RUSTI_P_MITTENRYNARD@ICPMECH.NAVY.MIL

*Outfitting and Material Support
Division
SEA 04L4 OPN Outfitting
Overview
for
FLSIC*

Back-up

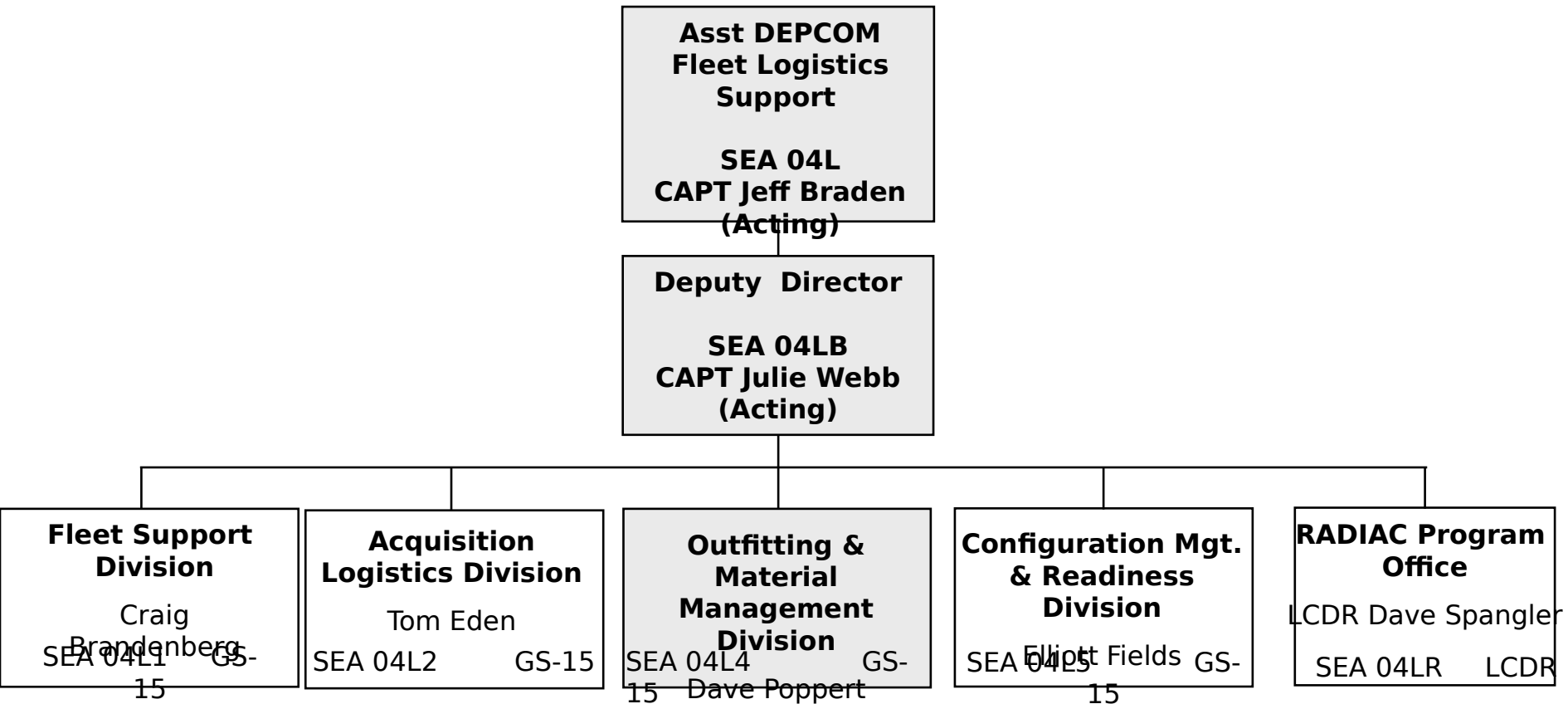


SEA 04L Organization



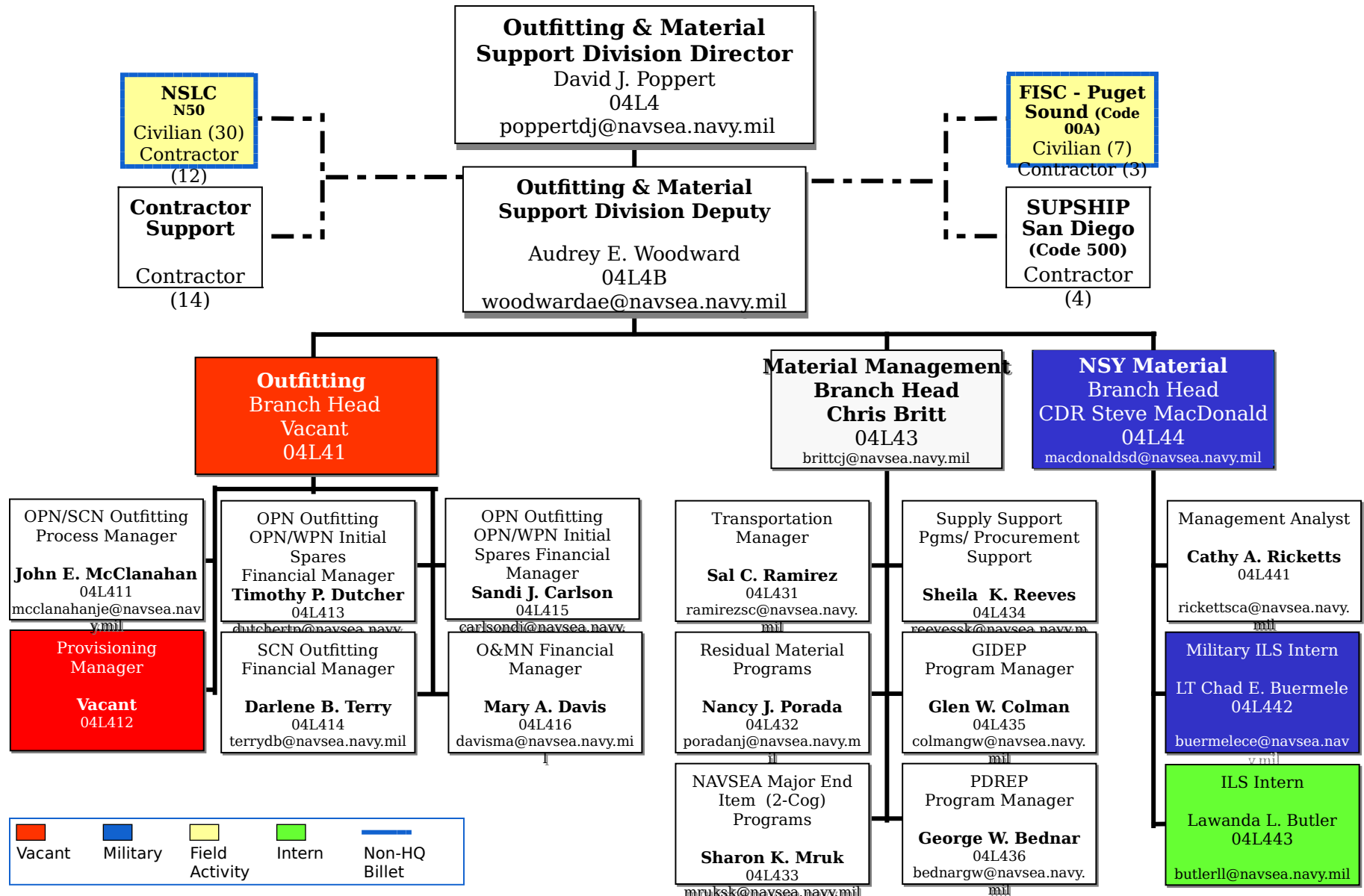


SEA 04L Organization





SEA 04L4 Organization



Active Fleet: OPN Outfitting

What Do We Buy?

❖ ***On-Board Repair Parts for:***

- ✓ **Modernization - to Support New/Upgraded Equipment Installs**
- ✓ **Maintenance - Change to Previously Installed Equipment**

Equipment/Programs

- Equipment and Weapon System Related Repair Parts; Post MSD (Navy and DLA)
- Medical/Dental Allowances (AMAL/ADAL)
- Equipage Items (I.E., Damage Control Gear, Protective Clothing)
- Anti-Terrorism/Force Protection Material

Activities

- Active Fleet Ships
- Naval Reserve Force Ships
- COMNAVTELCOM and CNET Sites
- Coast Guard (Installed USN Equipment.)

YES

Change

Other Programs

- Stock Replenishment
- Wholesale System Stock
- Pre-MSD Outfitting Spares
- Installation/Check-Out Spares (INCOs)
- Maintenance Assistance Modules (MAMs)
- Equipment for NWCF Activities Ashore (i.e., NAS)
- COSBAL (Shore Sites) New Allowances

NO



Active Fleet: OPN Outfitting Budget Development



Hardware Systems Commands (HSCs)

- NAVSEA/SPAWAR/NAVAIR PMs/PEOs Submit PSD
 - To SEA 04L4 and NAVICP-M
- Equipment/Weapon System Level
 - Item/Cost/Installation Schedule
- **93,000+ Post-MSD Installations**

Special Programs

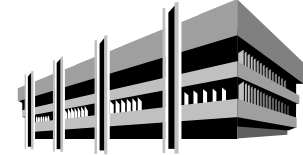
- Multi-Source Inputs (Examples)
 - Safety/Survivability
 - DC Locker Equip
- - Site COSAL Maint (NAVICP-M New Allowances)
 - Q COSAL (SEA 08)
 - Special Projects:
 - Med/Dent (NAVMEDLOG)
 - CARPER (N78/PMS 312)
- >50% Of Budget

Equipment or Weapon System

Special Programs

Program Support Data (PSD)

- 2,500+ in PARTS Database
- 80+ Offices Submit PSD



NAVICP Mechanicsburg

Uses PSD to:

- Estimate Allowance Costs (Navy and DLA)
- Negotiate Material Support Dates
- 'Buy-In' Spares Using NWCF \$
 - Lead-Time Before Need

Buy-In Costs



SEA 04L4

- Consolidates Inputs...Scrubs Requirements
- Studies/Analyses to Refine Projections
- Computes Buy-Out Costs and DLA Costs Using PSDs and NAVICP-M Buy-In Costs (Buy-In/Buy-Out Using Same ICP Pricing)
- Validate Requirements Twice a Year With N412/PMs/ICP On-site Reviews
- Prepares/Submits/Defends POM and Budget Requests

POM

- Assessment Sponsor: N41
- Resource Sponsors:
N096/N6/N75/N76/N77/N78

BUDGET

- **FMB** Reviews with NWCF Buy-In Budget

Outfitting Material Process

